

I. AMENDMENT

A. In the Claims

Please amend the claims as follows:

1. (Currently amended) A method of using an apparatus for card activity-based mortgage crediting, the method including the steps of:
providing a digital computer operably associated with an input device and with an output device;
associating, with said digital computer, data input at said input device, the data representing card activity with further input data representing a mortgage of a property cardholder;
determining, with said digital computer, a card activity reward by calculating a function responsive to the card activity of a cardholder;
crediting, with said digital computer, the card activity reward to a monthly payment of the mortgage according to an allocation instruction of the cardholder, the allocation instruction among a group comprising allocating the card activity reward to interest of the mortgage, allocating the card activity reward to principle of the mortgage, and allocating the card activity reward to a combination of the interest and the principle of the mortgage, wherein some of the reward is applied to interest of the mortgage if the allocation instruction corresponds during a year to crediting of the reward to the mortgage interest or to crediting of the reward to the combination, crediting the reward so as to produce a mortgage interest tax deduction for the year; and
generating, with said digital computer at said output device, output including the card activity-based mortgage reward being credited according to the allocation instruction of the cardholder crediting; wherein at least some of the steps are carried out by a digital electrical

computer.

2. (Currently amended) The method of claim 1, ~~wherein further including the step of:~~

~~the allocation instruction is associated, by said digital computer, with a monthly payment of the mortgage communicating a funds transfer, including an amount determined by the reward, to the cardholder.~~

3. (Currently amended) The method of claim 2, ~~wherein the step of communicating includes further including:~~

~~communicating a funds transfer, including an amount determined by the reward, to the cardholder~~

~~carrying out said funds transfer by printing a check including the amount determined by the reward;~~

~~printing a coupon including information used for carrying out payment of the mortgage with the check; and~~

~~combining the check and the coupon with a statement of the card activity in an envelope so as to address the envelope to the cardholder.~~

4. (Previously presented) The method of claim 1, further including the step of:

communicating a funds transfer, including an amount determined by the reward, to a mortgage servicer.

5. (Previously presented) The method of claim 4, wherein the communicating

includes an electronic funds transfer, including the amount determined by the reward.

6. (Currently amended) The method of claim 4, wherein the communicating includes:

~~carrying out said funds transfer by~~ printing a check;
printing a coupon including information used for carrying out payment of the mortgage with the check; and
combining the check and the coupon with a statement of the card activity in an envelope so as to address the envelope to the mortgage servicer.

7. (Currently amended) The method of claim 1, further including the steps of:

computing a forecast reflecting the crediting of the card activity for repayment of the mortgage ~~from the card activity~~; and wherein:
~~the step of generating output includes generating output~~ generating, with said digital computer at said output device, output including the forecast.

8. (Currently amended) The method of claim 7, wherein further including the step of:

~~communicating the forecast to the cardholder~~ the allocation instruction is associated, by said digital computer, with an ongoing monthly payment of the mortgage.

9. (Currently amended) The method of claim 1, further including the step of:

changing an ~~from one allocation instruction from the group to an other allocation instruction of the group of the crediting~~ in response to an instruction from the cardholder received over the Internet.

10. (Currently amended) The method of claim 1, further including the step of:

changing an allocation of the crediting ~~of the card activity reward~~ between the mortgage and a second mortgage in response to an instruction from the cardholder received over the Internet.

11. (Currently amended) The method of claim 1, further including the step of:

~~changing an allocation of the crediting between interest and principle for the mortgage in response to an instruction from the cardholder~~ generating, with said digital computer at said output device, output comprising the mortgage interest tax deduction computed for the year.

12. (Currently amended) The method of claim 1, further including the steps of:

combining the crediting of the card activity reward with a non-cardholder contribution and applying the contribution along with the reward according to the allocation instruction of the cardholder ~~changing an allocation of the crediting in response to an instruction from the mortgagor.~~

13. (Currently amended) The method of claim 1, further including the steps
of:

combining the crediting of the card activity reward with a direct contribution and
applying the contribution along with the reward according to the allocation instruction of the
cardholder changing an allocation of the crediting between the mortgage and a second
mortgage in response to an instruction from the mortgagor.

14. (Currently amended) The method of claim 1, ~~further including the step~~
~~of:~~

changing an allocation of the crediting between interest and principle for the
mortgage in response to an instruction from the mortgagor wherein the crediting is carried out
by associating a cardholder data file with a mortgage data file.

15. (Currently amended) The method of any one of claims ~~9-14, wherein the~~
~~step of changing is carried out in response to receiving the instruction over a network~~ 1, 2, 7,
12, 13, 14, further including receiving the allocation instruction from the cardholder over the
Internet.

16. (Currently amended) The method of claim 1, further including:
allocating a portion of the crediting between the mortgage and a charity; and
issuing a tax deduction statement responsive to said crediting to the cardholder.

17. (Currently amended) The method of claim 1, further including the steps
of:

computing, with said digital computer, an annual statement of said crediting; and
communicating the annual statement to the cardholder.

18. (Currently amended) The method of claim 17, wherein the step of
computing an annual statement includes:

computing, with said digital computer, mortgage interest paid by the crediting.

19. (Currently amended) The method of claim 1, further including of:
communicating a funds transfer, including the amount determined by the reward,
in carrying out the payment to a mortgage servicer.

20. (Currently amended) The method of claim 1, ~~further including the steps~~
~~of: _____ associating an allocation of the crediting with wherein the~~
~~group comprises allocating the card activity reward to the mortgage and with to a second~~
~~mortgage of the cardholder;~~
~~_____ wherein the step of crediting the amount to the mortgage is also responsive to~~
~~the allocation; and further including~~
~~_____ crediting a second amount to the second mortgage responsive to the allocation;~~
~~_____ wherein the step of generating the output includes generating the output~~
~~including the crediting a second amount to the second mortgage.~~

21. (Currently amended) The method of claim 14, further comprising
communicating, from the digital computer to a third party computer, the mortgage data file and
the cardholder data file from the digital computer to a third party computer ~~1, further including~~

the steps of:

_____ associating the mortgage with second card activity of a second cardholder;
_____ determining a second reward by calculating a function responsive to the second
card activity;
_____ crediting the second reward to the mortgage; and
_____ wherein the step of generating output includes generating the output including
the second card activity-based mortgage reward crediting.

22. (Currently amended) The method of claim 14, further comprising
communicating, from the digital computer to a third party computer, information from the
mortgage data file and information from the cardholder data file 20, further including the steps
of:

_____ generating second output including the second card activity-based mortgage
crediting, but not including the card activity of the cardholder of the mortgage; and
_____ communicating the second output to the second cardholder.

23. (Currently amended) The method of claim 1, further including the step
of:

_____ communicating a funds transfer to a charity for payment of the mortgage.

24. (Currently amended) The method of claim 1 any one of claims 21, 22,
further including the step of:
_____ receiving an offer from the third party, and communicating the offer to the
cardholder using a second computer to compute a valuation of a mortgage-backed security in

response to indicia of said crediting.

25. (Currently amended) A method ~~for~~ of using an apparatus in carrying out card activity-based mortgage crediting, the method including the steps of:

providing a digital computer operably associated with an input device and an output device;

associating, with said digital computer, data input at said input device, the data representing card activity with further input data representing a mortgage of a property by associating a cardholder data file with a mortgage data file;

determining, with said digital computer, a card activity reward by calculating a function responsive to the card activity of a cardholder;

responding, with said digital computer, to an instruction of the cardholder to credit the card activity reward to a payment of the mortgage, by using the associated data files in allocating the card activity reward to interest of the mortgage, allocating the card activity reward to principle of the mortgage, or allocating the card activity reward to a combination of the interest and the principle, according to the allocation instruction; and

generating, with said digital computer at said output device, output including the card activity reward being credited according to the allocation instruction of the cardholder

forming a combination in an envelope, the combination including at least two of:

a check printed with an amount to make a monthly payment on a mortgage, said amount determined by crediting a reward responsive to card activity of a cardholder;

a coupon printed with the amount for making the monthly payment of the mortgage with the check; and

a statement of showing the card activity and the crediting of the reward to the

mortgage; and wherein

_____ at least some of the reward is credited to interest on the mortgage.

26. (Currently amended) The method of claim 25, wherein the payment of the mortgage is a monthly payment of the mortgage ~~the step of forming includes three of said check, said coupon and said statement; and further including the step of:~~

_____ printing an address on the envelope so as to address the envelope to the cardholder.

27. (Currently amended) The method of claim 25, further including responding, with said digital computer, to another instruction of the cardholder so as to change the allocating ~~wherein the step of forming is carried out with the at least two of said check and said coupon; and further including the steps of:~~

_____ printing an address on the envelope so as to address the envelope to a mortgage servicer;

_____ combining said statement with a second envelope; and

_____ printing an address on the second envelope so as to address the second envelope to the cardholder.

28. (Currently amended) A method ~~for~~ of making a digital electrical computer system programmed ~~for~~ to carrying out card activity-based mortgage reward crediting, the method including the steps of:

providing a digital electrical computer and data processing system comprising a digital electrical computer electrically connected to an input device for inputting data and to an

output device; and

programming the digital electrical computer to associate data input at said input device, the data representing card activity of a cardholder with further input data representing a mortgage of a ~~property-cardholder~~, to determine a card activity reward by calculating a function responsive to the card activity, to credit the card activity reward to a monthly payment of the mortgage according to an allocation instruction of the cardholder, the allocation instruction among a group comprising allocating the card activity reward to interest of the mortgage, allocating the card activity reward to principle of the mortgage, and allocating the card activity reward to a combination of the interest and the principle of the mortgage, wherein if the allocation instruction corresponds during a year to crediting of the reward to the mortgage interest or to crediting the reward to the combination, crediting the reward such that the cardholder has a mortgage interest tax deduction for the year the reward is applied at least in part to interest of the mortgage, and to generate output including the charge card activity-based mortgage reward crediting being credited according to the allocation instruction of the cardholder, to form the digital electrical computer system programmed for carrying out card activity-based mortgage reward crediting.

29. (Currently amended) A method of making a digital electrical computer system programmed to carry out card activity-based mortgage reward crediting, the method including the steps of:

providing a digital electrical computer and data processing system comprising a digital electrical computer electrically connected to an input device for inputting data and to an output device; and programming the digital electrical computer to carry out the operations of:
associating data input at said input device, the data representing card

activity with further input data representing a mortgage of a property by associating a cardholder data file with a mortgage data file;

determining a card activity reward by calculating a function responsive to the card activity of a cardholder;

responding to an instruction of the cardholder to credit the card activity reward to a payment of the mortgage, by using the associated data files in allocating the card activity reward to interest of the mortgage, allocating the card activity reward to principle of the mortgage, or allocating the card activity reward to a combination of the interest and the principle, according to the allocation instruction; and

generating, with said digital computer at said output device, output including the card activity reward being credited according to the allocation instruction of the cardholder The method of claim 28, wherein the step of programming includes programming the digital electrical computer to trigger an electronic funds transfer, including an amount determined by the reward, to an other digital electrical computer.

30. (Currently amended) A method of making a digital electrical computer system, the method including the steps of:

providing a digital electrical computer and data processing system comprising a digital electrical computer electrically connected to an input device for inputting data and to an output device; and

programming the digital electrical computer to carry out the operations of:
crediting a reward, determined by calculating a function responsive to card activity, to a monthly mortgage payment, wherein the payment includes interest, in response to receiving an instruction from a cardholder over the Internet;

_____ associating the card activity reward, determined by calculating a function responsive to card activity, with a mortgage interest tax deduction computed for the year;

_____ generating output including the crediting of the reward, determined by calculating a function responsive to card activity, to a monthly mortgage payment; and

_____ generating, with the digital computer at said output device, output including the crediting of the reward, determined by calculating a function responsive to card activity, to a monthly mortgage payment, so as to produce a mortgage interest tax deduction computed for the year

digital electrical computer system apparatus programmed for to carrying out card activity-based reward mortgage crediting, the computer system apparatus including:

_____ a digital electrical computer and data processing system comprising a digital electrical computer electrically connected to an input device for inputting data and to an output device, said digital electrical computer programmed to associate card activity with a mortgage of a cardholder, to determine a reward by calculating a function responsive to the card activity, to credit the reward to a monthly payment of the mortgage, at least some of the reward being applied to interest of the mortgage, and to generate output including the charge card activity-based mortgage reward crediting, said output including at least two of:

_____ a check printed with an amount to pay a mortgage, said amount determined by the reward;

_____ a coupon printed with the amount for making the payment of the mortgage with the check; and

_____ a statement of showing the card activity and the reward crediting.

31. (Currently amended) A method ~~for~~ of using an apparatus in carrying out computerized card activity-based mortgage reward crediting, the method including the steps of:

providing a digital computer operably associated with an input device and an output device;

crediting, with the digital computer from input card activity, a reward, determined by calculating a function responsive to card activity, to a monthly mortgage payment, wherein the payment includes interest, -interest, in response to receiving an instruction from a cardholder mortgagee received over the Internet;

associating, with said digital computer, the card activity reward, determined by calculating a function responsive to card activity, with a mortgage so as to produce a mortgage interest tax deduction; and

generating, with the digital computer at said output device, output including the crediting of the reward, determined by calculating a function responsive to card activity, to the monthly mortgage payment.

32. (Currently amended) ~~A digital computer system~~ An apparatus
~~programmed for~~ to carrying out card activity-based mortgage reward crediting, the ~~system~~
apparatus including:

a digital computer and data processing system comprising a digital computer
~~connected to~~ operably associated with an input device for inputting data and to an output
device, the digital computer ~~controlled by a programmed~~ to carry out the steps of:

associating data input at said input device, the data representing card activity with further input data representing a mortgage of a property;

determining a card activity reward by calculating a function responsive to the card activity of a cardholder;

crediting the card activity reward to a payment of the mortgage according to an allocation instruction of the cardholder, the allocation instruction among a group

comprising allocating the card activity reward to interest of the mortgage, allocating the card activity reward to principle of the mortgage, and allocating the card activity reward to a combination of the interest and the principle of the mortgage, wherein if the allocation instruction corresponds during a year to crediting of the reward to the mortgage interest or crediting the reward to the combination, creating a cardholder mortgage interest tax deduction comprised of the reward crediting; and

generating output including the card activity reward being credited according to the allocation instruction of the cardholder associating card activity with a mortgage of a cardholder by specifying a lender in input to a data input screen, determining a reward by calculating a function responsive to the card activity, crediting the reward to a monthly payment of the mortgage, at least some of the reward being applied to interest of the mortgage, and generating output including the charge card activity-based mortgage reward crediting.

33. (Currently amended) The apparatus of claim 32, wherein the allocation instruction is associated, by said digital computer, with a monthly payment of the mortgage program controls communicating a funds transfer, including an amount determined by the reward, to the cardholder.

34. (Currently amended) The apparatus of claim 33, wherein the communicating includes: wherein the associating includes specifying a lender of the mortgage as some of said input data to correspond with a data input screen on a monitor operably associated with said digital computer
_____ carrying out said funds transfer by printing a check including the amount determined by the reward, printing a coupon including information used in carrying out payment of the mortgage with the check, and a statement of the card activity in an envelope so as to

address the envelope to the cardholder.

35. (Currently amended) The apparatus of claim 33, ~~wherein the communicating includes;~~ further including a computer corresponding to a mortgage servicer, and wherein the digital computer communicates to cause communicating a funds transfer, including an amount determined by the reward, to the computer corresponding to the [[a]] mortgage servicer.

36. (Currently amended) The apparatus of claim 33, further including a computer corresponding to the cardholder, and wherein the allocation instruction is communicated from the computer corresponding to the cardholder to the digital computer 35, ~~wherein the communicating includes an electronic funds transfer.~~

37. (Currently amended) The ~~method~~ apparatus of claim 33, wherein the steps further include facilitating, with some of said output, a transfer of funds, including an amount determined by the reward, to the cardholder 35, ~~wherein the communicating includes;~~
——— ~~carrying out said funds transfer by printing a check, printing a coupon including information used in carrying out payment of the mortgage with the check, printing a statement of the card activity, and printing addressing to convey the the check, coupon, and statement to the mortgage servicer.~~

38. (Currently amended) The apparatus of claim 32, ~~wherein the program controls the step of:~~ 33, wherein the steps further include
computing a forecast for repayment of the mortgage ~~from~~ responsive to the card

activity; and wherein:

the step of generating output includes generating output including the forecast.

39. (Currently amended) The apparatus of claim 33, wherein the steps further include changing from one allocation instruction from the group to an other allocation instruction of the group in response to an instruction from the cardholder received over the Internet 37, further including the step of:
_____ communicating the forecast to the cardholder.

40. (Currently amended) The apparatus of claim 33, wherein the steps further include changing an allocation of the crediting of the card activity reward between the mortgage and a second mortgage in response to an instruction from the cardholder received over the Internet 32, wherein the program controls the step of:
_____ changing an allocation of the crediting in response to an instruction from the cardholder.

41. (Currently amended) The apparatus of claim 33, wherein the steps further include: _____ associating the card activity reward with a mortgage interest tax deduction computed for the year, and further include
_____ generating at said output device, output including a mortgage interest tax deduction computed for the year 32, wherein the program controls the step of:
_____ changing an allocation of the crediting between the mortgage and a second mortgage in response to an instruction from the cardholder.

42. (Currently amended) The apparatus of claim 33, wherein the steps further include combining the crediting of the card activity reward with a non-cardholder contribution and applying the contribution along with the reward according to the allocation instruction of the cardholder 32, wherein the program controls the step of:
_____ changing an allocation of the crediting between interest and principle for the mortgage in response to an instruction from the cardholder.

43. (Currently amended) The apparatus of claim 33, wherein the steps further include combining the crediting of the card activity reward with a direct contribution and applying the contribution along with the reward according to the allocation instruction of the cardholder 32, wherein the program controls the step of:
_____ changing an allocation of the crediting in response to an instruction from the mortgagor.

44. (Currently amended) The apparatus of claim 33, wherein the crediting is carried out by associating a cardholder data file with a mortgage data file 32, wherein the program controls the step of:
_____ changing an allocation of the crediting between the mortgage and a second mortgage in response to an instruction from the mortgagor.

45. (Currently amended) The apparatus of claim 33, wherein the steps further include:
_____ allocating a portion of the crediting between the mortgage and a charity; and
issuing a tax deduction statement responsive to said crediting to the cardholder

32, wherein the program controls the step of:

changing an allocation of the crediting between interest and principle for the mortgage in response to an instruction from the mortgagor.

46. (Currently amended) The apparatus of 33, wherein the steps further include:

computing an annual statement of said crediting, including mortgage interest paid by the crediting; and

generating output including the annual statement, including mortgage interest paid by the crediting, any one of claims 40-45, wherein the step of changing is carried out in response to receiving the instruction over the Internet network.

47. (Currently amended) ~~Apparatus for card activity-based mortgage crediting, the apparatus including A method of using an apparatus, the method including:~~

providing a digital electrical computer and data processing system comprising a digital electrical computer electrically connected to an input device for inputting data and to an output device; and

programming the digital electrical computer to carry out the steps of:

means for associating card activity with a mortgage of a cardholder, the associating comprising associating a cardholder data file with a mortgage data file;

means for determining a reward by calculating a function responsive to the card activity of a cardholder;

means for crediting the reward to a monthly payment of the mortgage, said mortgage payment including interest; and

means for generating, for the cardholder, output including the card

activity-based mortgage reward crediting; and wherein at least some of the steps are carried out by a digital electrical computer.

_____ a third party computer; wherein
_____ the digital electrical computer communicates information from one of the files to
a third party computer, and the third party computer produces an offer to the cardholder.

48. (Currently amended) The apparatus of claim 47, further including a
computer corresponding to the cardholder, and wherein the offer is communicated to the
computer corresponding to the cardholder Apparatus for card activity-based mortgage reward
crediting, the apparatus including:
_____ means for crediting a reward, determined by calculating a function responsive to
card activity, to a monthly mortgage payment, the payment including interest, in response to
receiving an instruction from a mortgagor received over the Internet.

49. (Currently amended) A method of making a digital electrical computer
system programmed to carry out card activity-based mortgage reward crediting, the method
including the steps of:

_____ providing a digital electrical computer and data processing system comprising a
digital electrical computer electrically connected to an input device for inputting data and to an
output device; and

_____ programming the digital electrical computer to carry out the operations of:
_____ crediting a reward, determined by calculating a function responsive to
card activity, to a monthly mortgage payment, wherein the payment includes interest, in
response to receiving an instruction from a cardholder over the Internet;

associating the card activity reward, determined by calculating a function responsive to card activity, with a mortgage interest tax deduction computed for the year;
generating output including the crediting of the reward, determined by calculating a function responsive to card activity, to a monthly mortgage payment; and
generating, with the digital computer at said output device, output including the crediting of the reward, determined by calculating a function responsive to card activity, to a monthly mortgage payment, with a mortgage interest tax deduction computed for the year~~for card activity-based mortgage crediting, the method including the steps of:~~
~~———— associating card activity with a mortgage of a cardholder;~~
~~———— determining a reward by calculating a function responsive to the card activity;~~
~~———— crediting the reward to the mortgage, wherein the reward is applied to at least some interest of the mortgage;~~
~~———— changing an allocation of the crediting in response to an instruction from the cardholder;~~
~~generating output including the card activity-based mortgage reward crediting;~~
~~wherein at least some of the steps are carried out by a digital electrical computer; and~~
~~communicating at least some of the output to a second computer to allow computing a valuation of a mortgage-backed security in response to indicia of said crediting.~~

50. (New) The method of claim 1, wherein the associating includes specifying a lender of the mortgage as some of said input data to correspond with a data input screen on a monitor operably associated with said digital computer.

51. (New) The apparatus of claim 33, wherein the group comprises

allocating the card activity reward to the mortgage and to a second mortgage.

52. (New) The apparatus of claim 33, further including a third party computer, and wherein the steps further include communicating, from the digital computer to a third party computer, a mortgage data file corresponding to the mortgage and a cardholder data file corresponding to the card from the digital computer to the third party computer.

53. (New) The apparatus of claim 33, further including a third party computer, and wherein the steps further include communicating, from the digital computer to a third party computer, information from a mortgage data file corresponding to the mortgage and information from a cardholder data file corresponding to the card from the digital computer to the third party computer.

54. (New) The apparatus of any one of claims 52, 53, wherein the third party computer communicates an offer to the cardholder.

55. (New) The apparatus of claim 54, wherein the offer comprises a new mortgage.

56. (New) The apparatus of claim 54, wherein the offer comprises insurance.

57. (New) The method of any one of claims 21, 22, 25, 29, further comprising merging the files.

58. (New) The apparatus of any one of claims 33, 47, further including a computer corresponding to the cardholder communicating with the digital electrical computer to carry out the crediting.